

APPENDIX VII: Affordable Housing Siting  
Policy Interim Update

## INTERIM UPDATE ON AFFORDABLE HOUSING SITING POLICY DISCUSSIONS

On December 15, 2011, the City Council passed Resolution 20111215-058 directing NHCD to work with the Community Development Commission (CDC) and other stakeholders to research and recommend strategies of achieving geographic dispersion of affordable housing. In the months following, NHCD staff researched a number of national examples of siting policies and worked closely with the CDC and the Affordable Housing Siting Policy working group created by the CDC to assess the feasibility of various approaches in Austin. This interim update includes an overview of the background, research, process, public participation activities, feedback received, and topics discussed by the Affordable Housing Siting Policy Working Group.

### Background

Currently the City uses a number of geographic considerations when scoring applications for the Rental Housing Development Assistance (RHDA) program and the Acquisition and Development (A&D) program.

For all applications, the City uses the Kirwan Institute's Opportunity Map of Austin as a primary scoring criterion for geographic prioritization. In 2007,<sup>1</sup> the Ohio State University's Kirwan Institute analyzed multiple sources of statistical data to rank geographic opportunity according to economic, mobility, education, public health and neighborhood indicators. The map resulted in areas being ranked Very High, High, Moderate, Low and Very Low Opportunity. Applicants may receive the following scores based on the project's opportunity ranking:

<b>25 points:</b>	Very High priority area
<b>20 points:</b>	High priority area
<b>15 points:</b>	Moderate priority area
<b>10 points:</b>	Low priority area
<b>5 points:</b>	Very Low priority area

Other scoring criteria that can be attributed to the geographic location of the proposed project include:

1. RHDA: "Priority Location": Vertical Mixed Use/Planned Unit Development/Transit Oriented Development (10 points)
2. Preservation of existing affordable housing (10 points – Rental Housing Development Assistance program only)
3. Distance to Capital Metro stop
4. Federal Government Environmental regulations
5. Low Income Housing Tax Credit Qualified Allocation Plan rules (if applicable)
6. Compatibility with Neighborhood Plan (if applicable)

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<sup>1</sup> The Kirwan Institute Opportunity Map of Austin is scheduled to be reviewed and updated during the summer of 2012.

## Research

A number of tools used to promote geographic dispersion of affordable housing were defined through a nationwide review of various jurisdictional policies, and along with assistance from the American Planning Association's Planning Advisory Service and the Center for Housing Policy's Housing Research and Advisory Service.

Some of the methods used by other jurisdictions are not feasible for Austin. For example, inclusionary zoning is a tool used by various localities to require a certain share of new construction to be affordable to people in low to moderate income levels; however inclusionary zoning has been deemed illegal by the Texas State Legislature. Another method of achieving geographic dispersion is through state-mandated fair share laws. These are typically mandates of equitable distribution that occur as a result of a lawsuit or legislative action. Texas does not have a law that acts in this way.

However, many municipalities throughout the country have created their own policies that do not rely on inclusionary zoning policies or state mandates. They are approaches and tools that aim to achieve a level of equity within a given jurisdiction. The policy examples reviewed by staff fell into three types of approaches: goal-based, capacity-based and strategic.

- In a goal-based approach a jurisdiction manages growth by setting a number of expected affordable units per defined (new or existing) geographic area.
- A capacity-based model creates a formula by which to exempt communities/geographic areas from an affordable housing requirement if they can demonstrate they have already reached a quota based on a formulaic capacity.
- Strategic methods take a place-based approach to siting housing. A jurisdiction targets investment in specific geographic areas. Often this investment is aligned with other systems to ensure maximum efficiency in affordable housing siting (e.g. public transit, employment centers, social services, health facilities, schools, etc.) This is the category that the City of Austin's current approach most closely adheres to.

These three approaches were the basis for further discussion by staff, the CDC and community members.

## Process

On January 10, 2012, NHCD staff briefed the CDC on the research and approaches described above. Per the CDC's recommendation, staff agreed to align the development of this Affordable Housing Siting Policy with the FY 2012-13 Action Planning process. This decision allowed the policy recommendation to be facilitated by an established public participation process. This process included a series of "Community Conversations", a prioritization exercise completed by over

200 Austinites, and a 30-day Needs Assessment comment period followed by a 30-day Draft Action Plan comment period.

On March 13, 2012, the CDC took another step in facilitating this conversation by forming an Affordable Housing Siting Policy Working Group to study and recommend a siting policy to include in the FY 2012-13 Action Plan. The working group, comprised of Community Development Commissioners, affordable housing professionals and representatives of various stakeholder groups, met numerous times between March 19, 2012, and May 14, 2012. View members of the working group on page VIII-6.

The Affordable Housing Siting Policy Working group, along with staff, promoted a well-attended Community Conversation as part of the Action Planning process titled, "Affordable Housing Across Austin." On April 24, 2012 more than 75 community participants joined together to hear from local leaders and practitioner experts from Charlotte, NC; Dallas, TX; Raleigh, NC; San Jose, CA; and Washington DC via a virtual panel. The event offered an opportunity for citizens to learn about Austin's value of achieving greater geographic dispersion of affordable housing, the various siting policy approaches, and specific examples of working policies from cities across the country. The session was completed with a public discussion and opportunity for citizen feedback. View this session at <http://austintx.swagit.com/play/04272012-508>.

By community request, the working group and staff held a second opportunity for the community to provide feedback at an additional "Affordable Housing Across Austin" Community Conversation held on May 7, 2012. This event brought 25 people together for another discussion.

Several other opportunities were available for members of the public to learn about the siting policy recommendation development process. A meeting was held with members of the Austin Neighborhoods Council in November 2011, discussions have occurred with the CHDO Roundtable and the City Council's Comprehensive Planning and Transportation Committee, and an online discussion board has been open on [SpeakUpAustin.org](http://SpeakUpAustin.org) since fall of 2011 to solicit feedback on the issue of geographic dispersion. More than 200 Austinites have participated in the overall discussion and provided feedback.

### **Community Feedback**

The topic of equitably dispersing affordable housing throughout the city is one that brings together a range of interests and viewpoints from the community. Of the over 200 Austinites who have made their voices heard in this conversation, some come from a position of deep concern over what they perceived as an over-concentration of poverty in certain parts of town. Others came to the table recognizing constraints to the development of affordable housing in other parts of town. Most agree, however, that the siting of affordable housing throughout the entire city does benefit the whole community and that an affordable housing siting policy that addresses the allocation of city funding should help achieve that goal.

Other themes that community members have noted throughout the engagement process are:

- Using public land for affordable housing;
- Analyzing the current stock of affordable housing within certain geographic boundaries, including the stock of aging multi-family developments;
- Preserving existing affordable housing;
- De-stigmatizing affordable housing; and,
- Considering fair housing choice, both for those who would choose to move to another neighborhood if given the opportunity, and those who would prefer to stay in their established community.

### **Affordable Housing Siting Policy Working Group**

Through its work with the CDC, NHCD offered the working group the following areas of focus, as related to City Council Resolution 20111215-058 and the Community Development Commission's action:

1. To review the City's current affordable housing siting policies and options for new approaches.
2. To create an evaluation matrix/tool to assess the feasibility of various affordable housing siting policy approaches.
3. To make recommendations for the Action Plan chapter on the Affordable Housing Siting Policy.

Early working group discussions focused on formulating a draft vision statement, objectives and goals to provide context for the group's work:

*Vision: "The City of Austin commits to the creation and preservation of housing in all parts of Austin that meets the needs of all Austin residents of extremely low to moderate income tied to an analysis of identified housing gaps."*

*The vision should incorporate the following **goals**:*

1. *Substantially increases all types of affordable housing opportunities in dispersed geographic locations;*
2. *Affirmatively further Fair Housing choice;*
3. *Is feasible for the City of Austin to administer.*

*The vision should take into account the following **tools**:*

1. *Relevant, timely and accurate data that reflects areas of high opportunity, currently demonstrated by the Kirwan Institute's Opportunity Map;*
2. *The location of existing subsidized housing stock in the City;*
3. *The location of existing aging multi-family housing stock; and*
4. *The City of Austin Draft Good Neighbor Guidelines.*

As of May 14, 2012, the working group has explored a number of policy options including the feasibility of targeting federal funding dedicated to rental housing

opportunities in FY12-13 to very high opportunity areas as defined by the Kirwan Opportunity Mapping tool. Although the working group has not made an official recommendation to the CDC, the group is expected to make a recommendation to the commission in the summer of 2012. Following the working group's recommendation, the CDC will have the opportunity to make a recommendation to the Austin City Council on this issue.

Affordable Housing Siting Policy Working Group members:

- Steven Aleman – Austin Neighborhoods Council (ANC)
- Mandy De Mayo – Housing Works
- Darla Gay – Boarding Homes/Re-Entry Roundtable
- Stuart Hersh – Community Housing Development Organization (CHDO)
- Ann Howard – Ending Community Homelessness Coalition (ECHO)
- Diana Lewis – Corporation for Supportive Housing
- Liz Mueller, Community Development Commission (CDC)
- Angelica Noyola – CDC
- Karen Paup – CDC
- Myron Smith – CDC
- Kathy Stark – Austin Tenants' Council
- Tracy Witte - OCEAN/Swede Hill

City Staff Support:

- Rebecca Giello – Neighborhood Housing and Community Development (NHCD) Office
- Kelly Nichols – NHCD
- Marti Bier – NHCD
- Maneesh Chaku – NHCD
- Kathleen Buchanan – Law Department
- Paul DiGiuseppe – Planning and Development Review Department, Imagine Austin Comprehensive Plan